PROVIDING FOR THE CONVEYANCE OF CERTAIN REAL PROPERTY OF THE UNITED STATES TO THE CITY OF VERO BEACH, FLA.

June 18, 1956.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. Dawson of Illinois, from the Committee on Government Operations, submitted the following

# REPORT

[To accompany H. R. 10383]

The Committee on Government Operations, to whom was referred the bill (H. R. 10383) to provide for the conveyance of certain real property of the United States to the city of Vero Beach, Fla., having considered the same, report favorably thereon with amendments and recommend that the bill, as amended, do pass.

The amendments are as follows:

Page 2, line 12, strike "\$15,000" and insert in lieu thereof "an amount equal to the fair market value of the property at its highest and best use as determined by said Administrator".

Page 2, line 21, after the word "Such" strike the words "sum of \$15,000", and insert in lieu thereof "amount equivalent to the fair market value".

### PURPOSE

The bill would authorize and direct the Administrator to convey to the city of Vero Beach, Fla., two contiguous but separately acquired parcels of unimproved realty situate within the city. Section 1 of the bill applies to a parcel which was acquired by donation from the city; it would be reconveyed without consideration therefor to the city. Section 2 of the bill applies to a contiguous parcel which was acquired by the Government from private owners at a cost of approximately \$15,000; it would be conveyed to the city in consideration of payment therefor by the city of an amount equal to the current fair market value.

# BACKGROUND DATA

The property in question, 0.68 acre of unimproved land situate in the business district of Vero Beach, Fla., was acquired by the Government in 1951 as a site for a then proposed post-office building. Part of the land was acquired by donation from the city; the remainder by purchase from private owners at a cost of \$15,017. Post-office construction in that locality having failed to materialize, the property was declared surplus to Federal needs on January 20, 1956. By revocable license to the city the property is currently being used for public parking purposes.

AGENCY VIEWS

The agencies concerned, including the Bureau of the Budget, are of the opinion that the property described in section 2 of the bill should be conveyed "at fair market value" rather than expressly for \$15,000, the amount the Government paid for it.

#### COMMITTEE ACTION

The committee, upon a presentation of the merits of the proposal by its author, Mr. Rogers of Florida, and after consideration of legislative policy with respect to disposal of surplus realty, determined that the bill should be amended as explained above, and that the bill, as amended, would be recommended for favorable consideration.

### STATEMENT

It seems manifestly just and equitable that property acquired by the Federal Government by donation for specific purposes, should, upon failure of fulfillment of purposes intended, be returned to the donor. The merit of such action is particularly persuasive when the donor is a public entity and desires a return of such donated property for public purposes. Certainly, the Federal Government should not at the expense of States or local governments profit from its own default with regard to property transactions.

On the other hand, it seems equally just that the Government should receive the benefits resulting from increased value of properties acquired by purchase since of necessity it would bear the loss in event of depressed prices.

Inasmuch as the property which is proposed by the bill to be conveyed to the city of Vero Beach would, according to the author, Mr. Rogers, be used by the city for essential public purposes, and inasmuch as the amount to be received by the Government for the part acquired by purchase would approximate the amount realizable by sale, the

committee perceives no objection to favorable consideration.

## [H. R. 10383, 84th Cong., 2d sess.]

A BILL To provide for the conveyance of certain real property of the United States to the city of Vero Beach, Fla.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of General Services is authorized and directed to convey, without consideration, to the city of Vero Beach, Florida, all of the right, title, and interest of the United States in and to certain real property described as follows:

Lots 17, 18, 19, 20, 21, and the south 15 feet of lot 22 of block 48, also known as the city hall block, in the original town of Vero, (now city of Vero Beach), Florida, according to plat thereof recorded in the office of the clerk of the circuit court of Saint Lucie County, Florida, situated in Vero Beach, Indian River County, Florida; and also, all that part of the alleys shown upon the plat of the above-described property which lie east of lots 6, 7, 8, 9, 10, and 11 of the above-described block; and also, all of the alley as shown upon the plat of said above-described block which lies north of the east 25 feet of lot 12 and north of lots 13, 14, 15, and 16 of said above-described block.

SEC. 2. (a) The Administrator of General Services is authorized and directed to convey to the city of Vero Beach, Florida, in consideration of the payment by such city of \$15,000 an amount equal to the fair market value of the property at its highest and best use as determined by said Administrator, all of the right, title, and interest of the United States in and to certain real property described as follows:

Lots 6 to 11, inclusive, block 48, also known as the city hall block, in the original town of Vero (now city of Vero Beach), Florida, according to plat thereof recorded in the office of the clerk of the circuit court of Saint Lucie County, Florida, situated in Vero Beach, Indian River County, Florida.

(b) Such sum of \$15.000 amount equivalent to the fair market value shall be covered into the Treasury of the United States as miscellaneous receipts.